State of Connecticut
GENERAL ASSEMBLY

ENERGY AND TECHNOLOGY COMMITTEE
STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591
ROOM 3900
TELEPHONE: (860) 240-0430

January 25, 2011

Kimberley J. Santopietro
Executive Secretary
Department of Public Utility Control
Ten Franklin Square
New Britain, CT 06051

Dear Secretary Santopietro:

We are writing to express our concerns regarding the Department's draft decision on Docket 10-12-05, "PETITION OF THE OFFICE OF CONSUMER COUNSEL FOR A DECLARATORY RULING THAT THE RULING THAT THE PENDING MERGER OF NORTHEAST UTILITIES AND NSTAR REQUIRES APPROVAL BY THE CONNECTICUT DEPARTMENT OF PUBLIC UTILITY CONTROL", issued on January 19, 20011.

As Co-Chairs of the Energy and Technology Committee, we are writing to urge the Department of Public Utility Control ("Department") to postpone the issuance of its final decision on the NSTAR-NU merger. Instead, we respectfully request that the Department schedule public hearings to enable a more thorough examination of whether the Department has jurisdiction over the merger.

The basis for our request is our belief that the NSTAR-NU merger has the potential to have significant effects on Connecticut's ratepayers. Hearings would provide a further opportunity for the Department to explore whether the merger warrants review under Conn. Gen. Stat. §16-47 and §16-43, as interpreted through the lens of Conn. Gen. Stat. §16-11. These sections of the general statutes authorize the Department to review, approve or place conditions on the merger.

We believe it is necessary for the Department to review the merger to identify any costs and benefits that will impact our state's ratepayers. If there are net benefits from the merger, the Department, as a regulator, should ensure benefits are apportioned fairly between ratepayers and shareholders. It is entirely possible that the proposed merger will produce economies of scale that will produce benefits. However, we are also concerned about potential negative

consequences of the merger, including consequences that may result from the comprehensive review of this transaction by Massachusetts.

As members of the General Assembly we understand that we have the ability to introduce legislation regarding our concerns about this proposed merger. However, we would prefer to honor the regulatory process and ask that you postpone issuance of the final Decision pending further review and public hearings.

Sincerely,

State Senator John Fonfara
Co-Chair, Energy and Technology Committee

State Representative Vickie Nardello
Co-Chair, Energy and Technology Committee

Cc: Kevin M. DelGobbo, Commissioner
Amaila Vazquez Bzdyra, Commissioner
Anna M. Ficeto, Commissioner